DEPARTMENT OF FOOD AND AGRICULTURE MILK AND DAIRY FOOD SAFETY BRANCH SUPPLEMENTAL INITIAL STATEMENT OF REASONS

Subject Matter of Proposed Regulations

Ultra-Filtered Milk Products

Sections Affected

Adopt sections 450, 450.1, 450.2, 450.3, 450.4, 451 and 452

Specific Purpose of Each Adoption, Amendment, or Repeal

Existing law, section 407 of the Food and Agricultural Code, provides that the Department of Food and Agriculture (Department) may adopt such regulations as are reasonably necessary to carry out the provisions of this Code which it is directed or authorized to administer or enforce.

Existing law, section 32912 of the Food and Agricultural Code, provides that any milk or milk product that is subject to a standard of identity or standard of composition defined in Division 15 of the Food and Agriculture Code may be specially formulated or processed to lower the content of its milkfat, alter its milkfat composition, or otherwise modify its nutrient profile to the extent that it will not comply with the compositional requirements of its standard of identity or composition.

Existing law, section 32912.5 of the Food and Agricultural Code provides that any labeling requirements adopted by the Department shall be in conformity with the labeling requirements established under the Federal Food, Drug and Cosmetic Act and Title 21 of the Code of Federal Regulations.

Existing law, section 36631 of the Food and Agricultural Code, provides that the Department administer Article 2 of Chapter 1 of Part 3 of Division 15 of the Food and Agricultural Code, to accommodate, in a timely fashion, safe and wholesome milk products.

Existing law, section 36632 of the Food and Agricultural Code, provides that the Department may grant a temporary standard for a new milk product for an initial period of one year, following a properly noticed hearing.

Existing law, section 36633 of the Food and Agricultural Code provides that in granting a temporary standard, the Department shall establish an appropriate definition and nomenclature as well as quality and labeling requirements applicable to the permitted product.

Existing law, section 36637 of the Food and Agricultural Code states that upon granting a petition under article 2 of Chapter 1 of Part 3 of Division 15 of the Food and Agricultural Code, the Department shall adopt the standard as an emergency regulation pursuant to Chapter 3.5 (commencing with section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. For the purposes of Chapter 1 of Part 3 of Division 15 of the Food and Agricultural Code, any regulations adopted under Article 2 of Chapter 1 of Part 3 of Division 15 of the Food and

Agricultural Code shall be deemed to be necessary for the immediate preservation of the public peace, health and safety, or general welfare.

The Department has in place an approved emergency regulatory action as a result of granting a petition for the approval of a temporary standard for ultra-filtered milk products. This proposal will adopt sections 450, 450.1, 450.2, 450.3, 450.4, 451 and 452 of Article 7, Chapter 1, Division 2 of Title 3 of the California Code of Regulations, to establish a standard of identity for ultra-filtered milk products permanently in regulation.

The Department has evaluated this proposal and believes that it is not inconsistent or incompatible with existing state regulations as there were no regulations pertaining to ultra-filtered milk products. This proposal is intended to place ultra-filtered milk product standards permanently in regulation.

Problems Intended To Address

The Department received a petition dated April 20, 2015, for the approval of a temporary standard for two new milk products called "reduced-fat ultra-filtered milk" and "flavored reduced-fat ultra-filtered milk" from fairlife, LLC, a company headquartered in Chicago, Illinois. There were no definitions and standards for "reduced fat ultra-filtered milk" or "flavored reduced fat ultra-filtered milk" in statute or regulations. Food and Agricultural Code section 38211 provides a standard for "reduced fat milk", however "reduced fat ultra-filtered milk" would be a different product and does not fall within the standard for "flavored reduced-fat milk", however, "flavored reduced-fat ultra-filtered milk" would be a different product and does not fall within the standards set forth in section 38653.

The Department accepted the petition and determined that ultra-filtered milk products qualify as new dairy products requiring temporary standards, as the filtration process results in products that deviate from the compositional requirements for reduced fat milk and flavored reduced fat milk as set forth in Food and Agricultural Code sections 38211 and 38653.

A public hearing was scheduled by the Department in the matter in accordance with Food and Agricultural Code sections 36632 and 36633. Subsequently, the Department proceeded with an emergency rulemaking action in accordance with Food and Agricultural Code section 36637, to establish a standard of identity for ultra-filtered milk products in regulation, which was approved by the Office of Administrative Law (OAL) and in effect on August 14, 2015 [OAL #2015-0804-01E]. The Department subsequently proceeded with an action to readopt the emergency filing with OAL since the 180-day time period had elapsed. The emergency readoption of this rulemaking action was approved by OAL and became effective on April 7, 2016. The Department is now seeking to make the temporary standard permanent in Title 3 of the California Code of Regulations by proceeding with the "regular" rulemaking process.

Statement of Factual Basis and Rationale

California is the leading milk producing state in the nation producing over 41 billion pounds of milk, valued at approximately \$9.4 billion in 2014. California currently produces over 20 percent of the nation's milk supply and is home to approximately 1,500 dairies that house some 1.77 million dairy cows.

The Department's Milk and Dairy Food Safety Branch is charged with the mission and responsibility of ensuring that California's milk, milk products, and products resembling milk products are safe and wholesome, and meet microbiological and compositional requirements.

The Department is the only state agency with comprehensive expertise, experience and training in the dairy industry from farm to table, including milk pasteurization technology and laboratory issues unique to the dairy industry.

Ultra-filtered milk is milk that is separated into its various components (i.e., fat, protein, lactose, water, vitamins and minerals) using filters of varying sizes. The components are then recombined at various percentages to make ultra-filtered milk products. These ultra-filtered milk products can have component concentrations that are different than those found in milk directly from the cow (i.e., higher protein, lower lactose for example).

As stated, the Department has in place the regulations via an emergency rulemaking action which was approved by OAL and in effect August 14, 2015, with the readoption of the emergency action approved by OAL and in effect on April 7, 2016. The Department is now seeking to permanently establish the standards of identity for ultra-filtered milk products in Title 3 of the California Code of Regulations. The regulations will serve as a minimum standard of identity for any person or business licensed by the Department that chooses to manufacture ultra-filtered milk products and advertise their milk products as "ultra-filtered" on the containers and labels of their milk products that are marketed to California consumers. If the ultra-filtered milk product is produced out-of-state, the facility would not need to be licensed by the Department but the product label would need to meet the California standard for ultra-filtered milk products.

The proposal is as follows:

Adopt Section 450. Ultra-Filtered Milk Products.

Currently, no regulations exist to specify a standard of identity for ultra-filtered milk products that are manufactured by the petitioner, fairlife, LLC, "reduced-fat ultra-filtered milk" and "flavored reduced-fat ultra-filtered milk", or any ultra-filtered products standards in California. Therefore, the Department determined that ultra-filtered milk products qualify as a new dairy product requiring standards in regulation that are equivalent to Grade A milk [or market milk] with acceptable varying milk components as specified in this proposal, so they may be labeled and sold in the marketplace as ultra-filtered milk products.

Proposed regulation section 450 is needed to provide a definition of ultra-filtered milk products and specifies that except as otherwise provided, ultra-filtered milk products as specified in this proposal, shall meet all standards and requirements for Grade A milk that are specified in Division 15 (commencing with section 32501) of the Food and Agricultural Code. This will preserve the high nutritional standards of Grade A milk as well as ensure compliance with labeling requirements in accordance with Title 21 of the Code of Federal Regulations.

The standards as proposed in this rulemaking action, include all types of Grade A milk that may be manufactured as ultra-filtered so that they are at least as nutritious as unfiltered Grade A milk currently sold in the marketplace. The only difference among various types of Grade A milk is the composition [e.g., fat content, lactose and proteins]. The ultra-filtered milk products must comply with all Grade A labeling requirements and must not intentionally mislead the public or misrepresent the product. There must be a standard of identity for milk products either in statute or via the regulatory process, in order for manufacturers of milk products to know the standards that they must meet in order for the milk to be inspected and tested before it can be sold in the marketplace. This will assure the milk products sold to consumers are safe and wholesome for human consumption and are properly labeled in accordance with all applicable state and federal laws and regulations.

Ultra-filtered milk is milk that is separated into its various components (i.e., fat, protein, lactose, water, vitamins and minerals) using filters of varying sizes. The components are then recombined at various percentages to make ultra-filtered milk products. These ultra-filtered milk products can have component concentrations that are different than those found in milk directly from the cow (i.e., higher protein, lower lactose). There is a growing market for food products that are higher in protein and lower in carbohydrates and ultra-filtration methods can make this possible and thereby provide consumers with additional dietary choices. It is important that consumers are aware that ultra-filtered milk products are at least as nutritious as unfiltered Grade A milk products and the differences between the two product types are due to a lower lactose and higher protein content in the ultra-filtered milk products.

In order to avoid confusion with respect to what "milk" means, for ultra-filtered milk products the Department is preserving the overall standards for Grade A (market milk) products, but are establishing limits for recombining the component parts obtained through the filtration process that allow, for example, decreased carbohydrates (lactose) and increased protein, which will appeal to a segment of the population in terms of availability of alternative healthy food choices.

By decreasing the lactose and at the same time increasing the protein in the milk products through the filtration and recombining of components, the overall level of milk solids not fat remains relatively unchanged. However, for the products that require particularly high levels of milk solids not fat, 1 percent and 2 percent milk fat products, for example, which require 11 percent and 10 percent milk solids not fat respectively, it can be difficult to meet the target milk solids not fat levels when a considerable amount of lactose is removed, even when the protein is increased. It could be undesirable to the consumers' palates to have a product with excessive amounts of protein in an ultra-filtered milk product in an attempt to offset the decreased lactose in order to meet the current milk solids not fat requirements. Thus, the Department is allowing for a lower level of milk solids not fat in the ultra-filtered milk products as specified in this regulation, however, never lowered by more than what the level of lactose is reduced. In practice, the milk solids not fat would likely not be lowered by such an amount as the protein content will likely be increased, thus helping to offset the level to which the milk solids not fat would be lowered. Too low a level of milk solids not fat would likely be undesirable to consumers, as the milk would taste as if it had been diluted with water.

Manufacturers of ultra-filtered milk products would need to comply, at a minimum, with this section to ensure the ultra-filtered milk product composition is accurately stated on the product label, to avoid misrepresentation to consumers. The standards established by the Department will ensure that ultra-filtered milk products preserve the high nutritional standards of Grade A milk products, while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. Such products could be a benefit to consumers looking for lower sugar and higher protein milk in their diet.

Adopt Section 450.1. Ultra-Filtered Milk.

This section specifies the milkfat, milk solids not fat and total milk solids requirements for ultra-filtered milk. Manufacturers of the ultra-filtered milk product would need to comply, at a minimum, with this section to ensure the ultra-filtered milk composition is accurately stated on the product label to avoid any confusion or misrepresentation to consumers about the product they are purchasing. The standards established by the Department will ensure the ultra-filtered milk preserves the high nutritional standards of milk, while allowing for slight variation in the components, such as lactose, to allow for a new product category to be sold in the California

marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein milk in their diet.

Adopt Section 450.2. Reduced-Fat Ultra-Filtered Milk.

This section specifies the milkfat and milk solids not fat requirements for reduced-fat ultra-filtered milk. Manufacturers of reduced-fat ultra-filtered milks would need to comply, at a minimum, with this section to ensure the reduced-fat ultra-filtered milk composition is accurately stated on the product label to avoid any confusion or misrepresentation to consumers about the product they are purchasing. This standard established by the Department will ensure that reduced-fat ultra-filtered milk preserves the high nutritional standards of reduced-fat milk, while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein milk in their diet.

Adopt Section 450.3. Lowfat Ultra-Filtered Milk.

This section specifies the milkfat and milk solids not fat requirements for lowfat ultra-filtered milk. Manufacturers of lowfat ultra-filtered milks would need to comply, at a minimum, with this section to ensure the lowfat ultra-filtered milk composition is accurately stated on the product label, to avoid any confusion or misrepresentation to consumers about the product they are purchasing. This standard established by the Department will serve to ensure that lowfat ultra-filtered milk preserves the high nutritional standards of lowfat milk, while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein milk in their diet.

Adopt Section 450.4. Nonfat Ultra-Filtered Milk.

This section specifies the milkfat and milk solids not fat requirements for nonfat ultra-filtered milk. Manufacturers of nonfat ultra-filtered milks would need to comply, at a minimum, with this section to ensure the nonfat ultra-filtered milk composition is accurately stated on the product label, to avoid any confusion or misrepresentation to consumers about the product they are purchasing. This standard established by the Department will ensure that nonfat ultra-filtered milk preserves the high nutritional standards of nonfat milk, while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein milk in their diet.

Adopt Section 451. Flavored Ultra-Filtered Milk Products.

<u>Subsections (a) through (d)</u> specifies the standards and requirements for flavored ultra-filtered milk. Manufacturers of flavored ultra-filtered milk products would need to comply, at a minimum, with these sections to ensure the flavored ultra-filtered milks composition is accurately stated on the product labels to avoid any confusion or misrepresentation to consumers about the products they are purchasing. These standards established by the Department will ensure that flavored ultra-filtered milk products preserve the high nutritional standards of flavored milk products, while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. These products could be a benefit to consumers that are looking for lower sugar and higher protein flavored milk in their diet.

<u>Subsection (e)</u> specifies that flavored ultra-filtered milk products must be colored or contain ingredients (i.e., fruit or flavoring) such that the consumer can see and/or smell that they are flavored and thus different from unflavored ultra-filtered milk products. This section also specifies that the product names defined in sections 450.1 through 450.4 would be used for the corresponding products listed in section 451(a) through (d), with the term "flavored" or the main flavor (i.e., chocolate) preceding the product names, for example, "chocolate lowfat ultra-filtered milk".

Adopt Section 452. UHT Ultra-Filtered Milk Products.

This section specifies that ultra-filtered milk products may be processed and packaged aseptically so that they are ultra-high temperature (UHT) products, and also specifies the milkfat and milk solids not fat requirements for UHT ultra-filtered milk products. Manufacturers of UHT ultra-filtered milk products would need to comply, at a minimum, with this section to ensure the UHT ultra-filtered milk product composition is accurately stated on the product label to avoid any confusion or misrepresentation to consumers about the products they are purchasing. These standards established by the Department will ensure the UHT ultra-filtered milk products preserve the high nutritional standards of UHT milk products, while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. These products could be a benefit to consumers looking for lower sugar and higher protein UHT milk products in their diet.

<u>Subsection (a)</u> specifies that ultra-filtered milk products may be aseptically processed and packaged just as milk products may be, and as they would be for UHT milk products. Pursuant to section 39701 of the Food and Agricultural Code, "UHT" when used to describe a dairy product or a product resembling a milk product, means that the product has been hermetically sealed in a container and so thermally processed in conformance with section 113 of Title 21 of the Code of Federal Regulations and the provisions of the Grade A Pasteurized Milk Ordinance¹ as to render the product free of microorganisms capable of reproducing in the product under normal nonrefrigeration conditions of storage and distribution. UHT products are considered shelf-stable and can be stored without refrigeration until they are opened. This section serves to ensure that UHT ultra-filtered milk products are available to consumers and that they are free from bacteria and are wholesome and safe for human consumption.

<u>Subsection (b)</u> specifies the milkfat and milk solids not fat requirements for UHT ultra-filtered milk. The standards established by the Department will ensure that UHT ultra-filtered milk preserves the high nutritional standards of UHT milk while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein UHT milk in their diet.

<u>Subsection (c)</u> specifies the milkfat and milk solids not fat requirements for UHT reduced-fat ultrafiltered milk. The standards established by the Department will ensure that UHT reduced-fat ultrafiltered milk preserves the high nutritional standards of UHT reduced-fat milk while allowing for slight variations in the components, such as lactose, to allow for a new product category to be

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¹ The Pasteurized Milk Ordinance (PMO) is published by the United States Food and Drug Administration (FDA) and is readily available to the dairy industry. The PMO outlines minimum standards and requirements for Grade A milk production and processing. Grade A standards are recommended by the National Conference on Interstate Milk Shipments, which is composed of voting representatives from state and local regulatory agencies, and nonvoting representatives of the dairy industry and FDA. As a general rule, FDA accepts the Conference recommendations and incorporates them into the revised PMO. The state regulators adopt the PMO standards as a minimum, and in many cases requires more stringent standards.

sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein UHT reduced fat milk in their diet.

<u>Subsection (d)</u> specifies the milkfat and milk solids not fat requirements for UHT lowfat ultra-filtered milk. The standards established by the Department will ensure the UHT lowfat ultra-filtered milk preserves the high nutritional standards of UHT lowfat milk while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein UHT lowfat milk in their diet.

<u>Subsection (e)</u> specifies the milkfat and milk solids not fat requirements for UHT nonfat ultrafiltered milk. The standards established by the Department will ensure that UHT nonfat ultrafiltered milk preserves the high nutritional standards of UHT nonfat milk while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein UHT nonfat milk in their diet.

<u>Subsection (f)</u> specifies the milkfat requirement for UHT flavored ultra-filtered milk. To be consistent with the standards for all other UHT products, the Department is using 8.25% milk solids not fat for the flavored ultra-filtered milk rather than the 16.5% total solids listed for UHT flavored milk in Food and Agricultural Code section 39742. The standards established by the Department will ensure the UHT flavored ultra-filtered milk preserves the high nutritional standards of UHT flavored milk while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein UHT flavored milk in their diet.

<u>Subsection (g)</u> specifies the milkfat and milk solids not fat requirements for UHT flavored reduced-fat ultra-filtered milk. The standards established by the Department will ensure that UHT flavored reduced-fat ultra-filtered milk preserves the high nutritional standards of UHT flavored reduced-fat milk while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein UHT flavored reduced-fat milk in their diet.

<u>Subsection (h)</u> specifies the milkfat and milk solids not fat requirements for UHT flavored lowfat ultra-filtered milk. The standards established by the Department will ensure that UHT flavored lowfat ultra-filtered milk preserves the high nutritional standards of UHT flavored lowfat milk while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein UHT flavored lowfat milk in their diet.

<u>Subsection (i)</u> specifies the milkfat and milk solids not fat requirements for UHT flavored nonfat ultra-filtered milk. The standards established by the Department will ensure that UHT flavored nonfat ultra-filtered milk preserves the high nutritional standards of UHT flavored nonfat milk while allowing for slight variations in the components, such as lactose, to allow for a new product category to be sold in the California marketplace. This product could be a benefit to consumers looking for lower sugar and higher protein UHT flavored nonfat milk in their diet.

<u>Subsection (i)</u> specifies the UHT flavored ultra-filtered milk products must be colored or contain ingredients (i.e., fruit) such that the consumer can see or smell that they are flavored and thus different from unflavored UHT ultra-filtered milk products. This section also specifies that the product names defined in sections 450.1 through 450.4, would be used for the corresponding

products listed in section 452(f) through (i), with the term "flavored" or the main flavor preceding the product names, for example, "chocolate lowfat ultra-filtered milk".

In the originally proposed regulation text that was noticed for a 45-day public comment period, this section required the term UHT to be part of the name of the product. Inclusion of UHT as part of the product name was an oversight by the Department. UHT is a description of pasteurization and aseptic packaging of this shelf-stable milk. Food and Agricultural Code section 36001 requires the word "pasteurized" to be on the milk label if the product is pasteurized. For UHT products, the term "UHT" must be on the product label as the term "pasteurized" is on the product label for products that are pasteurized but not filled aseptically, however, the term "UHT" does not need to be part of the product name, it just needs to be on the label.

Material Relied Upon

- <u>April 20, 2015 Petition</u> from Tim Doelman, Senior Vice President, Operations and Product Development, fairlife, LLC, with attached copies of labels from their milk products.
- May 5, 2015, Notice of Public Hearing regarding the petition to consider the adoption of the temporary standard received from fairlife, LLC.
- <u>Informational Brochure</u> by the Department of Food and Agriculture, Milk and Dairy Food Safety Branch titled, "Protecting Our Dairy Products".
- <u>Informational Sheet</u> showing the State and Federal compositional standards for milk and the proposed requirements for ultra-filtered milk products.

Specific Technologies or Equipment

This regulation does not mandate the use of specific technologies or equipment.

Consideration of Reasonable Alternatives

No reasonable alternative which was considered or that has otherwise been identified and brought to the attention of the Department would either be more effective in carrying out the purpose for which the action is proposed or would be as effective as and less burdensome to affected private persons than the proposed regulation.

Reasonable Alternatives The Department Has Identified That Would Lessen Any Adverse Impact On Small Businesses

The Department has not identified any reasonable alternatives to the proposed action and no adverse impacts to small businesses are expected as a result of this proposed action.

Benefits of This Regulatory Action

The California dairy industry generates approximately \$21 billion in direct activity and \$65 billion in dairy related activity to California's economy. This proposal benefits the dairy industry by allowing a new product into the marketplace. Encouraging innovation by allowing novel dairy products that are safe and wholesome, benefits the dairy industry and consumers as a whole.

<u>Facts, Evidence, Documents, Testimony, or Other Evidence of No Significant Adverse Impact on Business</u>

No facts, evidence, documents, testimony, or other evidence of any significant adverse economic impact on business have been identified.

Economic Impact Assessment

The Department has made an initial determination that the proposed regulatory action:

- Will have no significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states by making it more costly to produce goods or services.
- Will not create or eliminate jobs or occupations. This determination is based on the fact that this proposal is only an option for businesses that may choose to process or market ultra-filtered milk products in California. It may encourage job growth and might expand business opportunities in the state.
- Does not adversely affect the creation of new businesses or the elimination of existing businesses within the State of California, and does not affect the expansion of businesses currently doing business within the State of California. This determination is based on the fact that this proposal is only an option for businesses, if they choose to process or market ultra-filtered milk products in California. It would be a benefit to the dairy industry and might expand business opportunities in the state.
- Does not impact multiple industries.
- Does not adversely impact human health, worker safety, or the State's environment. The Department has no specific health and safety concerns with the standards of identity for ultra-filtered milk products as specified in this proposal. This is because the standards require that ultra-filtered milk products must be labeled in accordance with applicable provisions of Title 21 of the Code of Federal Regulations. Additionally, manufacturers of ultra-filtered milk products must comply with all existing licensing and inspection requirements enforced by the Milk and Dairy Food Safety Branch as well as food safety and sanitary processing requirements and standards applicable to other market milk products. The Department's Milk and Dairy Food Safety Branch is charged with the mission of ensuring that all milk and milk products are safe and wholesome that are marketed to California consumers are safe and wholesome.
- Affects dairy processing plants that market milk products in interstate and intrastate commerce that want to market ultra-filtered milk products in California. It may affect distributors and retailers who market the new dairy product and may promote commerce by offering a new dairy product to consumers in the marketplace. No new fees or costs are imposed by the Department as a result of this proposal upon the dairy industry. It is an option for businesses if they wish to market the new dairy product.
- Serves to promote and encourage innovation by allowing into the marketplace a new dairy product category which is produced by a novel technology.

This initial determination is based on the fact that the proposed regulation imposes no new fees or costs to the dairy industry and allows a new milk product to be sold to California consumers that is safe and wholesome. This regulatory proposal is necessary to adopt the ultra-filtered milk product standards which will to ensure the Department fulfills its mission to serve the citizens of California by promoting and protecting a safe, healthy food supply, and enhancing local and global agricultural trade, through efficient management in accordance with Food and Agricultural Code sections 36601, 36602 and 36631.

Duplication or Conflicts with Federal Regulation

This proposal does not duplicate or conflict with federal regulations as there are no standards of identity for ultra-filtered milk products in federal regulations. However, all milk product labels must conform to the federal requirements as specified in Title 21 of the Code of Federal Regulations, in addition to the labeling requirements as specified in applicable California statutes and regulations.